

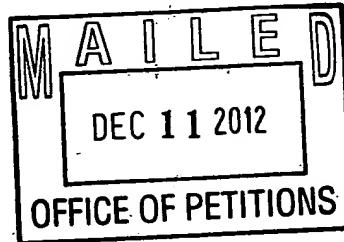


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Paper No. 11

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In re Patent No. 6,346,131 :
Issue Date: 02/12/2002 :
Application Number: 09/434,353 : DECISION ON PETITION
Filing Date: 11/03/1999 :
For: FERTILIZER COMPOSITIONS :
FOR ADMINISTERING PHOSPHATES TO :
PLANTS :
:

This is a decision on the petition filed on December 5, 2012, under 37 CFR § 1.378(b) to accept the delayed payment of a maintenance fee for the above-identified patent.

As petitioner has requested expedited consideration and paid the required fee, the request is also treated as a petition, under 37 CFR 1.182 for expedited consideration of the petition under 37 CFR 1.378(c).

The petition for expedited treatment is granted.

The petition under 37 CFR 1.378(b) is dismissed.

If reconsideration of this decision is desired, a petition for reconsideration under 37 CFR 1.378(e) must be filed within TWO (2) MONTHS from the mail date of this decision. No extension of this 2-month time limit can be granted under 37 CFR 1.136(a) or (b). Any such petition for reconsideration must be accompanied by the petition fee of \$400.00 as set forth in 37 CFR 1.17(f). The petition for reconsideration should include an exhaustive attempt to provide the lacking item(s) noted below, since, after a decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Director.

The patent issued February 12, 2002. The first maintenance fee was timely paid. The second maintenance fee could have been paid from February 12 through August 12, 2009, or, with a surcharge during the period from August 13, 2009, through February 12, 2010. Accordingly, the patent expired at midnight February 12, 2010, for failure to timely submit the second maintenance fee.

Petitioners state, in pertinent part:

(viii) On or around the issue date of the '131 Patent, office manager Kyle Martmeier implemented a calendar docket system using MS Outlook® on an office computer for tracking, among other things, the maintenance fee payment schedule for the '131 patent. (Declaration of D.W. Bergevin)

(xi) In October 2004, Meg Maas née Kates ("Maas"), was hired by [assignee Northwest Agricultural Products (hereinafter "NAP")]. Maas was promoted to Strategic Administrative Assistant in 2005, and responsibility for the patent docketing system was transferred to her. (Declarations of D.W. Bergevin and M.K. Maas)

(x) As recorded in the public records of the U.S. Patent Office, on July 5, 2005, the first maintenance fee for the '131 Patent was timely paid.

(xi) In 2006, Maas left her position with NAP rather abruptly due to complications related to a high risk pregnancy, and Michelle Stewart ("Stewart") was hired as Strategic Administrative Specialist to replace Maas. To support a valued employee, and to provide training and the transfer of knowledge to Stewart, NAP agreed that Maas would continue to assist NAP on a part-time, as-needed basis working from home. To facilitate this arrangement, Maas was allowed to retain the computer that she used daily at NAP, after transferring company information to Stewart. (Declarations of D.W. Bergevin and M.K. Maas)

(xii) Stewart has reviewed the current docketing system and now believes that the docket dates for payment of the maintenance fees for the '131 Patent were not successfully transferred to Stewart at that time. (Declaration of M. Stewart)

(xiii) If the docketing system had operated properly and the deadline for paying the second maintenance fee had been brought to the attention of the Patentee as indicated, then the Patentee would have paid the second maintenance fee. (Declaration of D.W. Bergevin)

(xiv) Stewart has recently reviewed NAP's records and has not found any reminder from its patent counsel or any other person dated after the payment of the first maintenance fee advising that the second maintenance fee for the '131 Patent was payable. (Declaration of M. Stewart)

(xv) On February 12, 2012, the window for reinstating the '131 Patent for unintentional delay in payment of the second maintenance fee closed.

(xvi) On November 16, 2012, the Patentee learned for the first time and through a third party that the second maintenance fee had not been timely paid and that the '131 Patent had expired for failure to pay the second maintenance fee. (Declaration of D.W. Bergevin)

A petition to accept the delayed maintenance fee under 35 U.S.C. § 41(c) and 37 CFR 1.378(b) must be accompanied by (1) an adequate, verified showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent, (2) payment of the appropriate maintenance fee, unless previously submitted, and (3) payment of the surcharge set forth in 37 CFR 1.20(i)(1).

This petition lacks requirement (1).

The Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to have been "unavoidable".¹

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(3).

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. § 133

¹ 35 U.S.C. § 41(c)(1).

because 35 U.S.C. § 41(c)(1) uses identical language (i.e. "unavoidable delay").² Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.³ In this regard:

The word 'unavoidable' . . . is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them in the exercise of this care to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present.⁴

The Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to have been "unavoidable".⁵ A patent owner's failure to pay a maintenance fee may be considered to have been "unavoidable" if the patent owner "exercised the due care of a reasonably prudent person."⁶ This determination is to be made on a "case-by-case basis, taking all the facts and circumstances into account."⁷ Unavoidable delay under 35 U.S.C. § 41(b) is measured by the same standard as that for reviving an abandoned application under 35

² Ray v. Lehman, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995) (quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1989)).

³ Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "unavoidable" "is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used by prudent and careful men in relation to their most important business").

⁴ In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-68 (D.C.C. 1963), aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913). In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account." Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). Finally, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable." Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987).

⁵ 35 U.S.C. § 41(c)(1).

⁶ Ray v. Lehman, 55 F.3d 606, 608-09 (Fed.Cir.), cert. denied, -- U.S. --, 116 S.Ct. 304, L.Ed.2d 209 (1995).

⁷ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

U.S.C. § 133.⁸ Under 35 U.S.C. § 133, the Director may revive an abandoned application if the delay in responding to the relevant outstanding Office requirement is shown to the satisfaction of the Director to have been "unavoidable". Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁹ However, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.¹⁰ In view of In re Patent No. 4,409,763, this same standard will be applied to determine whether "unavoidable" delay within the meaning of 37 CFR 1.378(b) occurred.

This petition does not satisfy the requirement of 37 CFR 1.378(b)(3). The statements presented in the petition fail to satisfy the showing required to establish unavoidable delay within the meaning of 37 CFR 1.378(b).

As 35 U.S.C. § 41(c) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees.¹¹ That is, an adequate showing that the delay was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent.¹²

With regard to period (1), above, a delay resulting from an error (e.g., a docketing error) on the part of an employee in the performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it is shown that:

- (1) the error was the cause of the delay at issue;

⁸ In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (PTO Comm'r 1988).

⁹ Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "unavoidable" "is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business"); In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913).

¹⁰ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

¹¹ Ray, 55 F.3d at 609, 34 USPQ2d at 1788.

¹² Id.

(2) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance;

(3) and the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.¹³

An adequate showing requires:

(A) Statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them.

(B) Petitioner must supply a thorough explanation of the docketing and call-up system in use and must identify the type of records kept and the person responsible for the maintenance of the system. This showing must include copies of mail ledgers, docket sheets, filewrappers and such other records as may exist which would substantiate an error in docketing, and include an indication as to why the system failed to provide adequate notice that a reply was due.

(C) Petitioner must supply information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

In this regard, as petitioners assert that the error occurred as a result of the docket entry not being transferred from Maas' computer to Stewart's computer, petitioner must provide a showing of the steps in place to transfer the maintenance fee information from Maas' computer to Stewart's computer. Petitioner must provide statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them.

Petitioners must further explain the process used to transfer the information, and provide a statement from the personnel responsible for the data transfer, as well as providing any documentary evidence showing that the data was transferred from Maas' computer to Stewart's computer. Additionally, petitioner must supply information regarding the training provided to the

¹³ See MPEP 711.03(c)(III)(C)(2).

personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

It is further noted that the declaration of Meg K. Maas states that the calendar of the computer she brought home with her, which contained the reminder to pay the second maintenance fee in the subject patent, was shared with Stewart's computer. Petitioner should explain whether important calendar docket entries, such as the entry to pay the subject patent's maintenance fee, were transferred from one computer to another.

The showing of record suggests that petitioners did not ensure that all data was properly transferred from Maas' computer to Stewart's computer, and that provisions were not made to verify that the entry for tracking and payment of the second maintenance fee for this patent was transferred. As petitioners have not shown that there was a business routine in place which could be relied upon for the transferring of docketing records from one computer to another, the showing of record is that the delay was not unavoidable.

Still further, petitioners have not explained what was being done with Maas' computer at the time the second maintenance fee was due. It appears that Maas was no longer working at NAP. It is unclear, however, whether the computer which contained the docket entry was still being used. Was the computer returned to NAP, and, if not, what was it not returned? If the computer had been returned to NAP and connected to the network system, would the docket reminder to pay the second maintenance fee have been visible?

The showing of record that the error occurred as a result of a failure to transfer the docket entry to pay the maintenance fee from Maas' computer to Stewart's computer. The showing of record is that the transfer of information was not a routine business function, but was rather an extraordinary procedure. Simply put, while there may have been a system in place for tracking and paying the first maintenance fee, this system was disrupted when Maas was given the computer which contained the docketed maintenance fee entry, and, as a result, petitioners no longer had any computer with the docket entry for payment of the second maintenance fee at the time that second maintenance fee was due.

As such, the showing of record is that, rather than unavoidable delay, the showing of record is that petitioner lacked a reliable

system for tracking and paying the second maintenance fee in that the docket entry to pay the fee was not transferred from Maas computer to Stewart's computer. As such, the showing is that there was not was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance; and the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.¹⁴

More to the point, the showing of record is that no system was in place for tracking and paying the second maintenance fee: This patent was not entered into the computer that Stewart was using, or any other computer being used by petitioners. As such, there was no system in place to track and pay the maintenance fee at the time the second maintenance fee was due.

Petitioners should note that if this petition is not renewed, or if renewed and not granted, then the maintenance fee and post-expiration surcharge are refundable. The \$400.00 petition fee for seeking reconsideration is not refundable. Any request for refund should be in writing to the address noted below.

The \$400.00 fee pursuant to § 1.17(f) for expedited consideration will be charged to counsel's deposit account as authorized in the petition for expedited consideration.

The address in the petition is different than the correspondence address. A courtesy copy of this decision is being mailed to the address in the petition. All future correspondence, however, will be mailed solely to the address of record. A change of correspondence address should be filed if the correspondence address needs to be updated.

Further correspondence with respect to this matter should be addressed as follows:

By mail: Mail Stop Petition
 Commissioner for Patents
 P.O. Box 1450
 Alexandria, VA 22313-1450

By FAX: (571) 273-8300
 Attn: Office of Petitions

¹⁴ See MPEP 711.03(c)(III)(C)(2).

By hand: Customer Service Window
Mail Stop Petition
Randolph Building
401 Dulany Street
Alexandria, VA 22314

Telephone inquiries should be directed to the undersigned at 571-272-3231.

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